

Village of Germantown
Planning Commission
February 10, 2025

Question and Answers
Summary of Public Comments

1. Who is going to pay for the project? Will the development company pay? Why should the Village pay for development?

Ultimately, the developer will pay for the project. However, it is not unusual in projects like this for the local government to contribute in some manner in order to incentivize the developer to develop to higher standards and to include public elements within the overall development. In the case of this project, whether the Village contributes (and if so, how) has yet to be determined. Ehlers, the Village's financial advisor, will be at the Village Board meeting on February 17, 2025, to discuss various funding options. These options include providing some initial funding or financial support, including grants, loans, or tax incentive tools such as TIF (Tax Incremental Financing). The Village might also provide land, infrastructure, or regulatory support to facilitate the project. Outside of any financial support the Village might provide, the developer usually contributes the majority of the funding for the development. They may invest directly in the project, raise funds through private investors, or use their own financial resources.

2. Will the project increase property tax bills?

It depends on the nature and amount of any financial contribution to the project made by the Village, and the method of financing that contribution. If traditional funding tools are utilized, such as TIF, there is no increase residents' tax bills. Under TIF, costs are paid by capturing the additional tax revenue generated from development within the district, which is reinvested into the project. As long as the development is successful and leads to a higher property value, the municipality can benefit without raising taxes across the entire community.

3. What will happen to existing businesses?

The first phase of the development does not impact existing businesses, as the business that previously occupied the first properties, The Flower Source, chose to close on their own, leaving the property in a blighted condition. Conversations have taken place with surrounding property owners and businesses, and if they choose to participate in the development, most have options to be part of the new project, relocate, or proceed with their future plans as they see fit.

4. Will the project create a "heart" of the community for both current and future generations?

The goal of the development project is to implement the plans from the 2050 vision, in which existing residents had the opportunity to participate. The new development, also referred to as the new gateway or "heart" of the village, is designed for everyone in the community. It aims to attract visitors from outside of Germantown and create a place that residents can be proud of and enjoy.

5. Would like to see the inclusion of green space and nature walks.

Green space will be incorporated into the development, as there is a large wetland area on the east side of the potential redevelopment zone. The vision is to add walking trails and create connections through this area.

6. **Is there enough parking for residents and customers?**

During the planning process, parking is carefully considered and will be provided to meet the needs of the development. The Village is committed to ensuring there is ample parking for all the different uses within the development. The Village team has also engaged with brokers, developers, and community stakeholders—especially for larger community events—to confirm their parking needs, which will be incorporated into the master development plan.

7. **Need to explain TIDs**

At the Village Board meeting on Monday, February 17, 2025, Ehlers, the Village's financial advisor, will provide a detailed explanation of what a Tax Increment District (TID) is and how the Tax Increment Financing (TIF) tool is used. Here is a high-level explanation of a TID:

A **TID** stands for **Tax Incremental District** or **Tax Increment District**. A TID is a designated area within a municipality where development or redevelopment is expected to increase the value of properties over time. **TIF** stands for **Tax Increment Financing**. TIF is the financial tool used to finance certain allowable costs associated with development. The taxes generated by the increase in property value (or "tax increment") generated by new development are captured and used to finance infrastructure improvements or other projects within the district.

Here's how it works:

- **Establishing a TID:** A municipality creates a TID in a specific area, such as a blighted area or underdeveloped land, to spur development in that area which is not otherwise occurring.
- **Capturing Incremental Taxes:** As the property values increase within the district due to the development (the "increment"), the increased property tax revenue generated by the increment is set aside and used to fund public improvements like roads, utilities, or other infrastructure.
- **Financing Projects:** The tax increment can be used to pay for the infrastructure or development costs, which benefits both the area within the TID and the broader community in the long term.

TIDs are often used as a tool to encourage economic growth, attract investment, and revitalize areas that need improvement, without requiring an increase in taxes for residents outside the district.

8. **Are we confident that businesses will use the retail space?**

Building a mixed-use development can be a great way to create a vibrant community, but there's no guarantee that businesses will use the retail space, as success depends on a number of factors. However, the Village is working closely with consultants, brokers, and developers to use all available tools to set the development up for success, though there are no guarantees. The Village has conducted a market study that shows there is demand in the marketplace and has selected a location ideal for retail growth. They understand the need to create a high-density residential area to attract businesses and are developing an offering that will incentivize and support tenants while attracting the right businesses. The Village also recognizes the importance of working with a reputable developer who understands the market and knows how to attract sought-after businesses.

Businesses are typically cautious about committing to new areas unless there is a clear vision for long-term growth and sustainability, which is why a master plan is being thoughtfully created. One of the main drivers in new retail development, and maintaining existing development, is population. The Village is focused on creating the most desirable area for existing businesses to thrive while also attracting new ones. Other communities that have sought similar developments have taken similar steps and have been successful in creating retail spaces that both the community and businesses are drawn to and enjoy. This is the goal of the Village—to achieve the same success as those communities in creating a thriving and attractive retail environment.

9. Question related to the southern part of the development: clarification on the density of residential development on the southern portion of the development.

The future development areas on the southernmost part of the potential redevelopment zone would be planned to have a lower concentration of housing to blend with the neighborhood to the south. While there are no defined plans for this area at this point, a thoughtful development approach would maintain a higher concentration of housing in the middle of the redevelopment zone, extending northward toward Mequon Road, where there is a natural buffer to surrounding neighborhoods. The housing density would gradually decrease as you move south, but this would only occur as there is desire to develop the area.

10. Local real estate agent loves the idea of a central gathering space for Germantown, has questions:

o Should we rely on a private developer to implement project?

The Village will be selecting a private developer to implement the project; however, to ensure its success and meet the needs of the community and residents, it will require a public-private partnership.

o How will project impact adjacent property owners?

A carefully planned mixed-use development can have positive impacts on adjacent property owners, including increased property values, improved infrastructure, and potential business opportunities from higher foot traffic. It can also foster a more vibrant and desirable community. However, concerns such as increased traffic, changes in neighborhood character, and construction disruptions may arise. To address these, a well-thought-out development plan can include buffer zones, community engagement, traffic management, and design integration, ensuring the development complements the surrounding area and meets the needs of current property owners. By balancing growth and community values, the project can benefit both new and existing residents. The Village has carefully worked through this project, taking steps to ensure that the impact is more positive than negative.

11. Will there be enough parking for special events?

The adequacy of parking for a special event in any location depends on factors such as event size, parking availability, and the development's design. A well-planned development typically includes a mix of parking options, but larger events may require additional spaces. To accommodate peak demand, flexible parking solutions, off-site options, and alternative transportation like ridesharing can help manage the crowd. Event logistics should be considered during planning to ensure sufficient parking or overflow solutions are in place. While existing parking may be sufficient for smaller or mid-sized events, larger events will require extra measures to meet demand. The development is taking every measure to maximize the available parking.

12. Mequon Road hasn't changed in at least 20 years, and needs to be updated like Mequon did or the Crossroads in Brookfield.

Many residents agree with this comment which came out in the 2050 comprehensive plan and why the Village has decided to take the steps towards creating a development that community is seeking. In the case of the Mequon and Brookfield developments, as well as similar developments in other communities, a public-private partnership has been critical to their success.

13. Does project qualify for TID, with the amount of residential development?

Yes, Ehlers will provide more details on this topic during the Village Board meeting on Monday, February 17, 2025. However, the 35% newly platted residential restriction does not apply to parcels that have already been platted. Since this area has already been platted, it qualifies.

14. Would the project be disruptive to the existing businesses?

A new development can potentially be disruptive to existing businesses, especially during the construction phase, as it may involve noise, traffic congestion, or temporary changes in accessibility. However, the level of disruption largely depends on the scale and type of the development, as well as how well the process is managed. Thoughtful planning can help mitigate these disruptions by ensuring proper traffic management, clear communication with businesses, and minimizing construction impacts. Additionally, if the development is well-designed, it can eventually benefit existing businesses by attracting more foot traffic, increasing visibility, and enhancing the overall appeal of the area. In the long run, a successful development may lead to increased demand for goods and services, benefiting businesses in the surrounding area.

15. How will we know if the project has the support of the full community?

The Village has made every effort to gather as much community input as possible, understanding that while it is important to engage residents, it's impossible to involve every individual. Through public meetings, surveys, and other forms of outreach, the Village has worked to ensure that a broad range of voices are heard, but we recognize that not all residents will participate. It is also important to note that, in any endeavor involving the community as a whole, it is virtually impossible to satisfy every individual. Nonetheless, we are committed to considering the feedback received and making decisions that reflect the overall needs and interests of the community at large.

16. Why are we placing a music venue next to a large number of new homes?

Placing a music venue or community event space with live music next to a number of new homes can be a strategic decision, but it requires careful consideration of factors such as noise, traffic, and community impact. One reason for this placement is to create a vibrant, mixed-use area where entertainment, residential living, and other amenities are integrated, providing a lively and diverse community experience. This can also help attract visitors, boost local businesses, and offer a draw for residents who value having entertainment options nearby.

A majority of new residential housing units will understand and be aware of the type of community they are choosing to live in and may actively desire to be part of that dynamic environment. To minimize potential issues, careful planning is necessary to ensure the venue is thoughtfully designed, with event times and noise levels managed to avoid negatively impacting the residential area. Additionally, the placement of the venue is part of a larger master plan to develop a "town center" or entertainment district, where different uses coexist harmoniously. Buffering and community involvement are critical to addressing concerns and ensuring the music venue enhances

the neighborhood rather than detracts from it. The Village is taking these measures and engaging with the appropriate community stakeholders to ensure these factors are considered during the planning process.

17. Who owns the properties now?

The properties in the redevelopment zone are currently owned by a variety of different individuals or entities.

18. Is the Village in jeopardy of losing the property to developers who might want to put something like a car wash?

Yes, the Village could be at risk of losing the opportunity to guide the development of the area if it does not actively engage in the process. Since the properties in the redevelopment zone are privately owned, the current landowners have the right to develop their properties according to existing zoning regulations. Without the Village's involvement, property owners could potentially choose to pursue developments that may not align with the community's vision, such as a car wash or other uses that might not be in line with the larger plan for the area.

By taking a proactive role, such as creating a public-private partnership or using planning tools like Tax Increment Financing (TIF), the Village can help steer the development in a direction that aligns with community goals and the vision for a vibrant, mixed-use space. Without this intervention, there's a risk that the area could develop in ways that don't maximize its potential for community growth or long-term value.

19. Who would own the buildings when the project is done? Who would own the public spaces?

In a mixed-use development project, the private developer typically owns most of the buildings, including residential, retail, and commercial spaces, as they invest in constructing and leasing these areas. The public spaces, such as parks, plazas, and streets, are usually owned by the Village or another public entity, ensuring they remain accessible to the community. In some cases, there may be shared ownership or management of certain areas, like parking lots or walkways, depending on the development agreement. Ownership details are typically outlined in a public-private partnership agreement, which specifies who owns what parts of the project and how public spaces are maintained and managed for community benefit.

20. Who would own the homes? Would they be rentals or condos?

The ownership of the homes in a mixed-use development would typically depend on the specific project and its design. In some cases, the homes may be sold as condominiums, where individual buyers own their units, while shared spaces (such as hallways or amenities) are owned collectively by all condo owners. Alternatively, the homes could be rental units, where the private developer or a management company owns the buildings and leases the units to tenants. The decision between rentals or condos often depends on the developer's goals, market demand, and the overall vision for the development. However, it is too early to determine the final ownership structure until developers are engaged and the specific plans for the project are finalized.

21. Resident welcomes development that is not stand-alone buildings or strip malls but believes we currently have too many vacant apartments.

It's understandable that residents are welcoming a development that avoids stand-alone buildings or strip malls, as mixed-use developments can create a more vibrant and integrated community

atmosphere. However, the concern about too many vacant apartments is also valid. The Village has conducted a market study, which indicates there is demand for apartments in the area. The current vacancy rate for apartments within Germantown and the surrounding areas is less than 5% (based on current market studies and statistics), suggesting a need for additional housing. The Village is focusing on creating a balanced approach that offers a variety of housing types and uses while considering the existing vacancy rates. The goal is to ensure the development adds value to the community, attracts the right mix of businesses, and provides residential options that meet current demand without overwhelming the market. Through careful planning, market studies, and community feedback, the Village has made informed decisions to ensure the new development addresses these concerns and contributes to the long-term growth and success of the area.

22. Residents want more choices for shops, restaurants in Germantown.

It's clear that residents desire more diverse options for shops and restaurants in Germantown, a common request in many communities aiming to enhance their local offerings. The Village recognizes this desire and is actively working towards creating a development to meet those needs. All available information confirms that one of the main drivers in new development of this desired nature is population. A mixed-use development can bring a variety of retail, dining, and entertainment options, contributing to a more vibrant community. Through careful planning, market studies, and engagement with potential business tenants, the Village aims to attract the right mix of businesses that will provide residents with the choices they're seeking, while also boosting the local economy and fostering a dynamic atmosphere. The goal is to introduce new amenities that complement existing offerings in Germantown, making the area a more desirable place to live, shop, and dine.

23. Is the market area too small for success?

The size of the market area or public space within a mixed-use development is an important consideration, but it is not the only factor determining success. A well-designed, smaller space can still be highly effective if it is thoughtfully planned and strategically utilized. The Village has conducted market studies that indicate there is demand for the types of businesses and amenities planned, and the public spaces are designed to foster community engagement and attract visitors. These spaces, while not vast, can still offer significant value when they are integrated with the surrounding development and provide a variety of functions like events, gatherings, and leisure activities.

The development team has also met with community stakeholders who would most likely use this area for their events to ensure that the space is appropriately designed to meet their needs. Currently, the largest event in the area, Mai Fest, and their current tent, would be accommodated within this planned space. While there may be larger events in the future that might not be suitable for this space, the goal is to maintain flexibility in the design to accommodate a wide range of activities. Additionally, the team is mindful of land constraints and is working within the available area to make the best use of the space. Proper planning and effective management of the space will be key to ensuring its success, regardless of its size.

24. Will the amount of high-density housing lead to parking shortages and congestion?

During the planning process, parking is carefully considered and will be provided to meet the needs of the development. The Village is committed to ensuring there is ample parking for all the different uses within the development. The Village team has also engaged with brokers, developers, and

community stakeholders—especially for larger community events—to confirm their parking needs, which have been incorporated into the master development plan.

25. Need to explain how many meetings there will be in the approval process.

The approval process for the development has involved multiple meetings, including initial planning, discussions with the Village Board and Plan Commission, public hearings, and ongoing community engagement. During the meeting on February 17, 2025, the next steps in the process will be outlined. On that day, the Village Board will vote on whether to proceed with the development or not. This meeting will serve as a key milestone in determining the project's future and offer an opportunity for community input and further discussion.

26. Who is going to manage the MarketPlatz?

The management of the MarketPlatz has not yet been determined, but it will be addressed as part of the next steps in the planning process. As the development moves forward, the Village will collaborate with stakeholders to determine the most appropriate approach for managing the space. This could involve a private entity, a property management firm, a public-private partnership, a department within the Village, or another option. The goal is to ensure that the MarketPlatz is effectively maintained and operated, meeting the needs of the community and contributing to the overall success of the development.

27. How is the project going to be funded?

This has yet to be determined and will be discussed further at the Village Board meeting on Monday, February 17, 2025, where Ehlers, the Village's financial advisor, will go into detail on funding options.

28. What criteria will the Village Board use to decide whether to fund the project or not?

Obviously, staff cannot know with certainty what criteria any individual Board member will utilize in reviewing the project. Historically, the Village Board has considered several key criteria when deciding whether to fund projects or not. These factors have included the overall economic impact of the development, such as potential job creation, increased property values, and revenue generation for the Village. The Board also evaluates the alignment of the project with the Village's long-term goals, including the need for housing, retail options, and community amenities. Public feedback and support, as well as the quality of the proposed development plan, also plays a significant role in the decision-making process. Additionally, the financial feasibility of the project, including the funding structure and the potential for a sustainable return on investment, is carefully assessed to ensure that it is a responsible and beneficial decision for the community.

29. Has a traffic study been done with an analysis of impact of additional development?

Yes, a Traffic Impact Analysis (TIA) has been conducted based on conceptual densities for the development. This initial study provides an understanding of how the development may affect traffic patterns and infrastructure. As the development plans are finalized and more specific details are established, the TIA will be updated to ensure that the traffic impact is thoroughly evaluated and any necessary improvements or mitigations are incorporated to address potential issues.

30. Will Village Board discussion next week be in open session?

Yes, a presentation will be given in open session, with public comment available and discussion from the commissions. However, this item was posted to provide the Board with the option to go into

closed session to discuss negotiating strategy related to the acquisition of the properties if they feel it is necessary.

31. Why is this a time sensitive matter?

The most time-sensitive aspect of this proposal is that the Village Board needs to make a decision whether to complete the acquisition of the properties currently under contract. The Village Board needs to decide whether to acquire the land and proceed with the project or allow the land to be released. If the decision is made to move forward with the acquisition, there will be additional planning to complete, and developers will need to be engaged to begin the next phase of the development. Delaying this decision, or allowing the current purchase contracts to expire, could result in losing the opportunity to secure the land, and the project could be impacted by shifting market conditions, financing challenges, or competing development plans.

32. Why has the plan not been presented to the Economic Development Commission?

Section 1.379 establishes the powers and duties of the Economic Development Commission. In short, those powers and duties center around the Village's policies and programs related to encouraging economic development. The Commission is not empowered under the municipal code to review and approve individual development proposals. With that said, an update on the potential redevelopment of the Pilgrim/Mequon area was presented to the Economic Development Commission on January 7, 2025. Since that meeting, there have been additional community open houses that members of the Economic Development Commission were welcome to attend.

33. Will Ehlers present TID analysis in open session?

Yes.

34. Strongly in favor of the proposed development being privately funded.

35. This would be the first TID for residential development.

It is true that the Village has not previously utilized a TID where there was a significant residential component to the development. However, utilizing a TID for some residential development is legally allowed provided that the nature of the development is consistent with the statutory requirements.

36. How will the additional residential effect the school district?

Studies have shown that multifamily housing does not place undue strain on local public schools. The concern that multifamily developments will bring in too many families with school-age children while yielding lower tax revenues is often based on a misconception. In reality, residents of multifamily housing typically have fewer children than those in single-family homes. Additionally, the net impact of multifamily housing on a municipality's fiscal health tends to be positive, especially when considering the increase in tax revenues generated by the development.